

SENATE RECORD VOTE ANALYSIS

105th Congress
2nd Session

Vote No. 69

April 2, 1998, 5:29 pm
Page S-3075 Temp. Record

BUDGET RESOLUTION/Democrat Substitute

SUBJECT: Senate Concurrent Budget Resolution for fiscal years 1999-2003 . . . S.Con. Res. 86. Lautenberg motion to waive the Budget Act for the consideration of the Lautenberg amendment No. 2244.

ACTION: MOTION REJECTED, 42-55

SYNOPSIS: As reported, S.Con. Res. 86, the Senate Concurrent Budget Resolution for fiscal years 1999-2003, will balance the unified budget in 1998 and will run surpluses for each of the next 5 fiscal years. Both Federal spending and Federal revenues will increase 3.5 percent from fiscal year (FY) 1998 to FY 1999. All surpluses will be reserved for Social Security reform. A reserve fund will be established to allow the entire Federal share of revenues resulting from a potential tobacco settlement to be dedicated to bolstering Medicare's solvency.

The Lautenberg substitute amendment would enact a modified version of President Clinton's proposed budget. According to the Congressional Budget Office (CBO), President Clinton's proposed budget would violate the discretionary spending caps by \$12 billion in FY 1999 and by \$68 billion through FY 2002. By the Clinton Administration's own estimates, it would raise taxes and user fees by \$100 billion. Also, it would reduce the projected budget surplus by \$43 billion instead of saving all of the surplus to strengthen Social Security. Overall, the Clinton budget would increase mandatory spending by \$28 billion and total spending by \$118 billion over the CBO baseline. In comparison to the budget resolution as reported, the President's budget would increase spending by \$125 billion and would have \$50 billion less in surpluses for Social Security. The Lautenberg amendment would reduce the President's proposed new taxes and spending slightly--it would add \$82.1 billion in new spending and would increase taxes and user fees by \$79.9 billion. It would put a large part of the President's proposed new spending initiatives into a reserve fund that would permit new mandatory spending that would be paid for with new taxes. During debate, Senators indicated that it would be their intention to use taxes, if any, that would be generated from a tobacco settlement. The underlying resolution will save any such taxes for Medicare.

Debate on a first-degree amendment to a budget resolution is limited to two hours. Debate on the Lautenberg amendment was

(See other side)

YEAS (42)		NAYS (55)			NOT VOTING (3)	
Republicans (0 or 0%)	Democrats (42 or 95%)	Republicans (53 or 100%)	Democrats (2 or 5%)		Republicans (2)	Democrats (1)
Akaka	Kennedy	Abraham	Hutchinson	Feingold	Helms- ^{2AN}	Inouye- ²
Baucus	Kerrey	Allard	Hutchison	Hollings	Inhofe- ²	
Biden	Kerry	Ashcroft	Jeffords			
Bingaman	Kohl	Bennett	Kempthorne			
Boxer	Landrieu	Bond	Kyl			
Breaux	Lautenberg	Brownback	Lott			
Bryan	Leahy	Burns	Lugar			
Bumpers	Levin	Campbell	Mack			
Byrd	Lieberman	Chafee	McCain			
Cleland	Mikulski	Coats	McConnell			
Conrad	Moseley-Braun	Cochran	Murkowski			
Daschle	Moynihan	Collins	Nickles			
Dodd	Murray	Coverdell	Roberts			
Dorgan	Reed	Craig	Roth			
Durbin	Reid	D'Amato	Santorum			
Feinstein	Robb	DeWine	Sessions			
Ford	Rockefeller	Domenici	Shelby			
Glenn	Sarbanes	Enzi	Smith, Bob			
Graham	Torricelli	Faircloth	Smith, Gordon			
Harkin	Wellstone	Frist	Snowe			
Johnson	Wyden	Gorton	Specter			
		Gramm	Stevens			
		Grams	Thomas			
		Grassley	Thompson			
		Gregg	Thurmond			
		Hagel	Warner			
		Hatch				

EXPLANATION OF ABSENCE:

- 1—Official Business
- 2—Necessarily Absent
- 3—Illness
- 4—Other

SYMBOLS:

- AY—Announced Yea
- AN—Announced Nay
- PY—Paired Yea
- PN—Paired Nay

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further limited by unanimous consent. After debate, Senator Domenici raised a point of order that the amendment violated section 305(b)(2) of the Budget Act. Senator Lautenberg then moved to waive the Budget Act for the consideration of the amendment. Generally, those favoring the motion to waive favored the amendment; those opposing the motion to waive opposed the amendment.

NOTE: A three-fifths majority (60) vote is required to waive the Budget Act. After the failure of the motion to waive, the point of order was upheld and the amendment thus fell.

Those favoring the motion to waive contended:

Unfortunately, a bipartisan agreement on the budget was not reached this year. Therefore, in order that Americans may be able to see the priorities that Democrats would have pursued if they had written the budget, we have offered the Lautenberg amendment. This amendment is a modified version of the President's proposed budget. Changes have been made in order to comply with last year's Budget Agreement, but otherwise the President's new funding priorities have been retained. Those priorities include: funding for new education initiatives to hire 100,000 new teachers and to build schools; funding to double the number of children receiving child care subsidies; funding to expand Medicare to many older Americans who now lack private health insurance; funding for new medical research; increased funding for our transportation infrastructure; and a reinstatement of the lapsed environmental Superfund taxes and increased spending on environmental programs. On a wide variety of very important initiatives the Democratic substitute amendment would increase spending. In some cases, such as for medical research, the underlying resolution will supposedly increase spending as well, but in order for that to occur it will require other spending to be cut. We think such cuts are unlikely. In contrast, because the Democratic substitute would largely rely on new taxes, its new spending would be assured. Much of the new spending in the substitute would come from tobacco settlement taxes. The underlying resolution would require all such taxes to be set aside for Medicare instead of spent. We note that doing so will prevent spending on such programs as youth anti-smoking initiatives. We favor protecting Medicare as well, but it simply is not our only priority. New spending on the environment, education, and other areas also should be passed. We make no apologies for proposing that new spending; the reason that the budget is in balance is that Democrats in 1993 were willing to raise taxes. Those taxes are what brought deficit spending under control. Now that the budget is in balance, we should keep it in balance and also increase spending on pressing needs. We know that this amendment will not pass. However, it will serve to show America an alternative, and we believe better, plan for our country's future.

Those opposing the motion to waive contended:

The Lautenberg amendment would increase taxes and increase spending, and then it would set up a reserve fund to allow even more taxes and more spending in the event that a tobacco settlement is reached. We concede that the amendment is not as bad as the President's proposed budget, but that is not really saying a whole lot. The budget has been brought into balance, but that balance will only be temporary if reforms are not enacted, and soon, to save Medicare (which will be broke in 10 years) and Social Security (which will be broke in 2029 but which will start running huge yearly deficits in 2012). Small reforms now will have compounded savings over time that will protect the continued viability of these two programs, and will, for that matter, protect the future solvency of the country. Therefore, the underlying resolution will save the expected surpluses that will accrue over the next 5 years to support Social Security, and will use any revenues that come from a global tobacco settlement to save Medicare. The President's proposed budget would have reduced the surpluses by more than \$50 billion, thereby taking that money away from Social Security, and would have spent tobacco tax revenues on a wide variety of new domestic entitlement programs. This substitute amendment is much better than the President's proposal in that it would only reduce the projected surpluses slightly, but it would still spend tobacco tax revenues on new entitlement programs. We are not going to agree to any such proposal. Medicare incurs annual costs of \$25 billion treating beneficiaries who have smoking-related illnesses. Medicare is in trouble largely because of the costs of treating those illnesses; therefore, we think that any Federal revenues which come from a tobacco settlement, which will be less than \$25 billion annually, should go directly and solely to Medicare, not to brand new Federal spending programs. We know that this responsible approach will deprive our Democratic colleagues of the opportunity to go home and brag to the voters about all of the new Federal spending they have managed to get for them, but we think it is more important for the Federal Government to make sure it can meet its current commitments than it is for it to assume new ones. Our Democratic colleagues, in defending this amendment, have stressed that they especially want to spend more money on education and on health research. We agree with these priorities (though not with their particular new entitlement proposals). We note also that the underlying resolution does not wait around to provide funding on the hope that tobacco taxes will be collected. Instead, it budgets for that new spending. The National Institutes for Health, for instance, will get a \$15.5 billion increase, which is the largest increase in history for any United States research entity. On education, the resolution will add an extra \$6.3 billion to existing, underfunded programs instead of creating new mandatory spending programs as our Democratic colleagues have proposed. That amount will include an extra \$2.5 billion for disabilities education, which is currently very underfunded.

The other major point that needs to be made about this substitute amendment is that it would raise taxes significantly. In contrast,

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the underlying resolution will allow a tax cut of up to \$30 billion. This difference highlights a major philosophical distinction between the two political parties. Republicans note that the combined Federal-State-local tax burden on the American people is higher now (40 percent) than at any time since World War II. Republicans believe that working Americans need relief from that high tax burden. Democrats genuinely do not. They genuinely believe that Americans can and should be taxed more, and that the reason that the budget is balanced now is that they enacted the largest tax hike in history in 1993. They have a tunnel-vision view of history and economics that makes them believe that Congress taking and spending more of the American people's money is good for the country. They do not recognize the huge reduction in the deficit that came from paying off the savings and loan debacle; they do not recognize the effects of business restructuring; they do not recognize the huge benefits from welfare reform and Republican spending cuts; and they do not even stop to puzzle about why if their huge tax increase supposedly put the country onto a path to a balanced budget, the Republicans nearly equally large tax cut did not drive it back into huge deficits. Our Democratic colleagues fail to even to take credit for Clinton Administration positions that have been very helpful in eliminating the deficit, such as his reappointment of Alan Greenspan to be Chairman of the Federal Reserve (the Federal Reserve deserves a tremendous amount of credit for keeping the money supply stable) and his generally open trade policies. No, for Democrats prosperity is a result of Government taxing and spending.

Our colleagues have correctly stated that their amendment provides a clear alternative. It is an alternative that fails to plan for the future by protecting Medicare, that increases the tax burden even more on working Americans, and that increases total Government spending. It is a poor alternative that should be rejected.